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# Report on the 2012 Session

34<sup>th</sup> LEGISLATIVE DISTRICT  
Spring 2012



Dear Neighbors,

I'm happy to be home in the 34<sup>th</sup> District now that the Legislature has finished its work in Olympia.

This newsletter is my chance to update you on issues important to our families and neighborhoods. It's also a chance to hear from you. If you have questions, comments or ideas, I'd love to hear them.

This newsletter is dedicated to the state budget and health care, two huge issues this session.

**HEALTH CARE REFORM** isn't just a national issue. Washington state has long been a national leader in finding better ways to take care of patients and our taxpayer dollars, and this year is no exception as lawmakers took quick action to continue implementation of national health care reform here in Washington state.

**BALANCING THE BUDGET** has been tough ever since the global economy crashed in 2008. Year after year, we've cut and cut and cut. Four years later, the economy seems to finally be bouncing back.

**JOBS** were also a huge focus this session, with House Democrats pushing hard for a serious package to create jobs in every corner of our state. I'm happy to say that the Jobs Now bill passed and will explain it a little inside.

If you have a question about a specific issue or law, please contact my office and we'll find that information. You can reach me by email, regular mail, the toll-free Hotline or my direct office line. Many of you have spoken with—or met with—my legislative aide, Holly Mortlock. We're both working out of an office in Seattle to better serve you.

It's an honor and a privilege to serve as your representative in Olympia, so I thank you and hope to hear from you soon.

Sincerely yours,

Rep. Eileen Cody  
D-West Seattle  
Chair, Health Care and Wellness Committee



# 2012 Legislative Update

34<sup>th</sup> LEGISLATIVE DISTRICT

## HEALTH CARE



As a nurse and as chair of the Health Care and Wellness Committee, I've devoted my career to improving the health of my friends, neighbors and fellow citizens.

Good health is unlike anything else. You can't put a price tag on the health and well-being of your husband or wife, your daughter or son. Health care is a massive part of our economy, and the technology and science changes rapidly – but we have to carefully watch that change and make sure those changes help – not hurt – the health care system we all depend upon.

### Health care reform

This session, we passed a landmark piece of legislation (House Bill 2319) to continue implementation of national health care reform -- the Affordable Care Act – here in our state, including the operation of a health care exchange.

The exchange is a new way to buy health coverage. Individuals small businesses, families without Medicare, Medicaid or employer-sponsored health coverage will be able to buy coverage through the Exchange. People with an income below 400-percent of the federal poverty level will be eligible for tax credits through the Exchange to make their health insurance premiums more affordable.

The Health Benefits Exchange will:

- Protect consumers by making it easier to shop for health plans and truly compare prices, services offered and quality of care.
- Help those with chronic health problems or high-cost illnesses get health coverage.
- Establish minimum standards for consumer protection, covered services, healthcare provider selection and financial solvency.
- Ensure that health plans sold through the exchange include "essential health benefits" for Washington state, including hospital, physician care, and prescription drugs as well as mental health, chemical dependency and rehabilitation services.

Other provisions:

- Puts in a framework to continue our state's successful Basic Health Plan, which will soon be funded with federal funds.
- Helps people with serious health problems get affordable coverage through our state's high risk pool or the Exchange.

### What national health care means in our state right now

I sponsored House Bill 2319 to set the stage for full implementation of the Affordable Care Act, beginning in January 2014. However, many parts of the law are already in effect here in Washington state.

- If you have kids in college or just starting out, they can get health coverage through your policy up to age 26. The new law also prohibits health plans from placing lifetime limits on the dollar value of coverage and restricts annual limits on the dollar value of coverage, with annual limits eliminated in 2014.
- Health plans cannot deny children coverage based on pre-existing medical conditions or include pre-existing condition exclusions for children. New or renewed health plans are required to cover preventive medicine like immunization shots for kids.
- Medicare recipients also benefit. Pharmaceutical manufacturers are providing a 50-percent discount on brand-name prescriptions filled in the Medicare Part D coverage gap -- called the "donut hole" and the amount of the donut hole is decreasing every year. There are also federal subsidies for generic prescriptions with Medicare Part D. Cost-sharing has been eliminated for Medicare-covered preventive services recommended (rated A or B) by the U.S. Preventive Services Task Force.
- After January 1, 2014, Washingtonians will see additional benefits, such as near-universal health insurance.
- Most Americans will have health coverage in 2014 via a number of pathways:
  - (1) a substantial expansion of Medicaid,
  - (2) tax credits for private health coverage if you buy it through the new state insurance exchanges and
  - (3) new insurance rules to prevent health insurers from denying coverage or charging higher premiums to people with pre-existing health conditions.

## Other health care laws

**Shared Decision Making - HB 2318** clears the way to the use of patient decision aids that will allow patients to see all of their treatment options, and have thoughtful discussions about those options with their doctor. I am happy to have sponsored this legislation and want to thank all of the citizens and stakeholders who worked hard to get it passed in the House and Senate. (Signed by Governor)

**Open, honest billing - HB 2582** addresses a new and expensive wrinkle in health care bills. Over the past ten years, more physicians have become employees of hospitals. Often, these physicians maintain offices off the hospital's campus. The federal Medicare program allows hospitals to charge an extra "facility fee" so that an office to a physician can be billed as if it were provided in an outpatient hospital department or clinic. This practice has spread to private health insurance coverage as well, driving up costs. HB 2582 requires that these extra charges be explained ahead of time to patients. It also establishes reporting requirements so the public can understand what they're being charged and why. (Signed by Governor)

**Non-profit hospitals - HB 2341** deals with changes in federal laws that allow hospitals to continue to have their non-profit status. In exchange for not having to pay federal and state income and property taxes, non-profit hospitals are expected to engage in "community benefit" activities. In Washington state, the majority of hospitals are non-profit. HB 2341 requires hospitals get input from the community in deciding how they can benefit their community the most, implement activities that have been proven successful in other communities whenever possible and evaluate the effectiveness of these activities. (Signed by Governor)

**The Reproductive Parity Act - HB 2330** Washington has a long history of progressive values and protecting the health and reproductive rights of women. HB 2330 would help safeguard the choices you have today under state law as directed by Referendum 20 and Initiative 120. Currently in Washington state, every major health insurer and almost all individual and small employer health plans cover voluntary termination of pregnancy. I sponsored HB 2330 so that as the Affordable Care Act is implemented, health insurers who offer maternity coverage would also have to cover voluntary termination of pregnancy. However, the bill does not affect the right of health care providers, facilities or insurers to refuse to perform an abortion for reasons of conscience or religion under our existing state law. In addition, coverage would be limited to abortions prior to viability of the fetus, or to protect the life or health of the woman. (Passed the House, but not the Senate)

## BALANCING THE BUDGET

I'm happy to report that we passed a balanced budget that (1) did not cut K-12 school funding, (2) did not cut funding for colleges and universities and (3) preserved the safety net.

This was not easy. If you saw the budget the governor proposed in December and compared it to the final budget that we passed, you wouldn't see how we managed to avoid the draconian cuts required without raising new revenue.

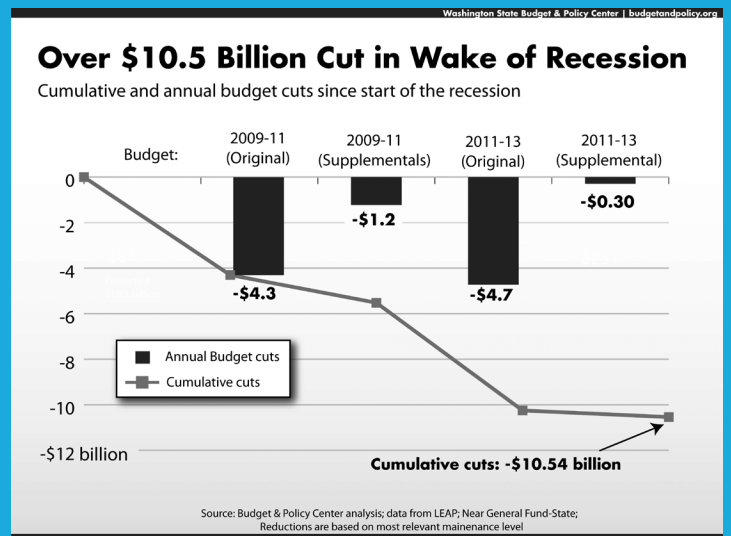
We managed to do this by working hard to find creative solutions.

I also worked with emergency room doctors and the governor's office to stop a plan that would have stopped state payments for certain visits to the ER. Instead, we worked out a compromise that ER doctors say won't hurt patients – or taxpayers.

## LOOKING FORWARD

While I am pleased with the outcome of the 2012 supplemental budget, I believe it's important to remember the far reaching impact of this recession. Over the last four years, we have cut \$10 billion in state services which has had a devastating effect on our health and social safety net, education, colleges and public safety. Many of our neighbors, friends, and family members are now in greater need. As these needs go unmet, the long term results will cost taxpayers even more and jeopardize our future progress.

Now that the state Supreme Court has ruled that Washington isn't meeting the constitutional duty to fund basic education, we have to have a serious discussion about tax reform and tax fairness. You can't cut universities, health care and the environment by another \$1 billion to fill that hole. Meeting this challenge will require talking about ways to sustainably fund our schools, and our state and everyone in our communities working to garner support for meaningful reform.



# Report on the 2012 Session

34<sup>th</sup> LEGISLATIVE DISTRICT

## JOBS NOW



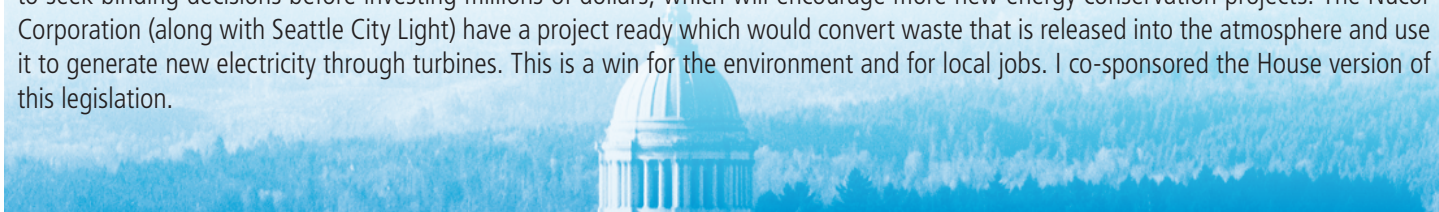
I voted to help jump-start our economy by putting 18,000 people to work, quickly, building a better Washington.

The Jobs Now act was modeled after the work of FDR and Gov. Dan Evans, both leaders who realized that the smartest way to create jobs wasn't tinkering with laws or tax codes, but by directly hiring unemployed workers to build schools, parks and universities.

Our state now has a 30 percent unemployment rate for construction workers. While other sectors of our economy are growing again, and hiring new workers, construction is still hurting. And we need people in hard hats back at work to build the schools, universities and other infrastructure for our growing population.

Jobs Now will put people to work in every corner of the state – and when the work is done, not only with the economic development projects generate 9,000 long-term jobs, but what we've built will benefit our citizens for generations.

**Renewable energy and jobs** – I'm also happy to report that renewable energy legislation (Senate Bill 6414) will help create jobs in the 34th District. This bill will foster our commitment to renewable energy sources in the spirit of I-937, by allowing public utility districts to seek binding decisions before investing millions of dollars, which will encourage more new energy conservation projects. The Nucor Corporation (along with Seattle City Light) have a project ready which would convert waste that is released into the atmosphere and use it to generate new electricity through turbines. This is a win for the environment and for local jobs. I co-sponsored the House version of this legislation.



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